

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised July 18, 2013

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-005-20833
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG-2426
7. Lease Name or Unit Agreement Name Loveless LQ State
8. Well Number 8
9. OGRID Number 286614
10. Pool name or Wildcat Tomahawk San Andres

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator  
Cross Border Resources, Inc.

3. Address of Operator  
2515 McKinney Ave, Suite 900, Dallas, TX 75201

4. Well Location  
Unit Letter N : 330 feet from the South line and 2310 feet from the West line  
Section 36 Township 7S Range 31E NMPM Chaves County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐  
CLOSED-LOOP SYSTEM ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐  
OTHER: Drilled out CIBP, Acidized & Returned to production. ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

11/10/2014 MIRU pulling unit. Unloaded and racked 4,200' of 2 3/8" tbg. rigged up reverse unit. Picked up 3 3/4" bit, 4 - 3 1/8" drill collars, bit sub, 120 jts of 2 3/8". Tagged cement at 3,746'. Rigged up power swivel, established circulation. Drill from 3,746' to 3,766'. Circulated clean

11/11/2014 Opened well, established circulation. Drilled cement and tagged CIBP @ 3,900'. Drilled on plug. Drilled thru plug, ran in and tagged again @ 3,974'. Drilled for an hr, circulated hole clean. Pulled up and shut dn.

11/12/2014 Opened well. Established circulation. Drilled on remaining cibp. Drilled thru. Ran in and tagged again 3,974', cleaned out to 4,105'. Circulated hole clean and pulled up above perfs.

11/13/2014 Opened well. Lines are froze, temperature is 13 deg. Established circulation. Cleaned well from 4,105' to 4,169'. kept drilling and pushing something dn. Circulated hole clean and pulled above perfs.

11/14/2014 Opened well and pulled tbg out of the hole. Picked up AS-1X packer, x over, and began to pick up 2 7/8" ph-6 tbg.

11/17/2014 Opened well. Continued to pick up ph-6 tbg. Set packer @ 3,895'. Swabbed well.

11/18/2014 Opened well. Moved in and rigged up Basic Services. Held safety meeting. Tested lines. Treated well with 10,000 gals 22# x-linked borate gel, 10,000 gals of 15% NEFE acid, 10,000 gals 22# x-linked borate gel, 10,000 gals of 15% NEFE Acid, flushed with 120 bbls fresh water. Treated @ 18- 20 bpm at around 3,100 psi. ISIP- 1450 PSI, 5MIN- 1180 PSI, 10 MIN - 880 PSI, 15 MIN - 640 PSI Shut well in. Rigged dn Basic Services.

11/19/2014 Initial fluid level was 2,000' from surface, all water. Made a total of 28 swab runs and recovered a total of 132 bbls of fluid. Final fluid level was at 2,400'. All water in the samples.

11/20/2014 Initial fluid level was at 2,300' from surface. All water in sample. Made 37 swab runs and recovered a total of 158 bbls. Final fluid level @ 2,400' from surface. All water.

11/21/2014 Opened well. Released packer, laid dn ph-6 rental string and released. Picked up S.N. and ran 2 3/8" production tbg with TAC ND BOP. NU well head.

11/24/2014 Opened well. Delivered and unloaded rod string from TRC. Picked up new pump, and began to pick up rods. Seated pump and spaced out rods. Checked for good pump action. RDMO

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Alan Barksdale TITLE Chairman DATE 2/13/15  
Type or print name Alan Barksdale E-mail address: cynthia@redmountainresources.com PHONE: 214-871-0400

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 02/20/15  
Conditions of Approval (if any):

FEB 23 2015